

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3831
ANSWERED ON:24.03.2017
Business Loan Norms
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any scheme/proposal to change the business loan norms;
- (b) if so, the details thereof; and
- (c) the extent to which such changes in the business loan norms is likely to promote various business sectors including the Micro, Small and Medium Enterprises (MSMEs)?

Answer

The Minister of State in the Ministry of Finance

(a) to (c): Reserve Bank of India has informed that the management of loan sanctioning / recovery activity, in a bank, is essentially an internal management function and each bank's Board is authorized to frame suitable policies. Accordingly, the norms for sanctioning loans is decided by individual banks as per their Board approved policy.
